

**IT IS THE VENDOR'S RESPONSIBILITY TO CHECK
FOR ADDENDUMS PRIOR TO SUBMITTING PROPOSALS**

NOTICE TO BIDDERS SPECIFICATION NO. 05-079

The City of Lincoln, Nebraska intends to purchase and invites you to submit a sealed bid for:

IBM z/890 Enterprise Server and IBM Enterprise Storage Server Unit for Information Services Division (City of Lincoln)

Sealed bids will be received by the City of Lincoln, Nebraska on or before 12:00 noon **Wednesday, April 6, 2005** in the office of the Purchasing Agent, Suite 200, K Street Complex, 440 South 8th Street, Lincoln, Nebraska 68508. Bids will be publicly opened and read at the K Street Complex.

Bidders should take caution if U.S. mail or mail delivery services are used for the submission of bids. Mailing should be made in sufficient time for bids to arrive in the Purchasing Division, prior to the time and date specified above.

COMPANY NAME_____

**PROPOSAL
SPECIFICATION NO. 05-079**

BID OPENING TIME: 12:00 NOON

DATE: April 6, 2005

The undersigned bidder, having full knowledge of the requirements of the City of Lincoln for the below listed items and the contract documents (which include Notice to Bidders, Instructions to Bidders, this Proposal, Specifications, Contract, and any and all addenda) and all other conditions of the Proposal, agrees to sell to the City the below listed items for the performance of this Specification, complete in every respect, in strict accordance with the contract documents at and for unit prices listed below.

ADDENDA RECEIPT: The receipt of addenda to the specifications numbers _____ through _____ are hereby acknowledged. Failure of any bidder to receive any addendum or interpretation of the specifications shall not relieve the bidder from obligations specified in the bid request. all addenda shall become part of the final contract document.

ITEM	QTY	ITEM DESCRIPTION	UNIT PRICE	TOTAL PRICE
1.		IBM 2086-A04 z/890 Processor at capacity setting 120, to include the following features:		
	8	Escon Channels	\$ _____	\$ _____
	2	Parallel Channel Converters	\$ _____	\$ _____
	4	Ficon Channels (2 cards/2 ports per card)	\$ _____	\$ _____
	4	OSA-E 1000 BaseT Ports	\$ _____	\$ _____
		Onsite system assurance review, cabling services, and implementation assistance.	\$ _____	\$ _____
			\$ _____	\$ _____
		TOTAL 2086-A04 z/890		
2.		IBM 2105-800 TotalStorage Enterprise Storage Server to include the following features:		
	4	Disk Eight-Pack 72.8 GB, 10K rpm	\$ _____	\$ _____
	1	IBM Total Storage ESS Master Console	\$ _____	\$ _____
	2	2GB Fiber Channel/FICON (Long Wave) Host Adp	\$ _____	\$ _____
	2	2GB Fiber Channel/FICON (Short Wave) Host Adp	\$ _____	\$ _____
	2	2026-224 IBM Total Storage Scan24M1 Mid-Range Switch	\$ _____	\$ _____
	6	Fiber Optical Cable 50u, 30m, LC Male/LC Male	\$ _____	\$ _____
	2	Flex-Port: Additional 8-Port Enablement	\$ _____	\$ _____
		Total 2105	\$ _____	\$ _____
3.		Grand Total Hardware	\$ _____	\$ _____
		IBM Software Pricing with z/890 waiver		
		IBM Software List:		
		5694-A01 z/OS 1.4 and components:		
		DFSMS DSS, DFSORT, GDDM-PGF		
		5697-E93 CICS/TS v2		
		5675-DB2 DB2 UDB and QMF v7		
		5655-G53 Enterprise Cobol		
		5655-B17 PSF v3		
		5688-190 PPFA/370		
		Monthly EGO software costs	\$ _____	\$ _____
		Monthly Non/EGO software costs	\$ _____	\$ _____
		Grand Total Software	\$ _____	\$ _____

<u>ITEM</u>	<u>QTY</u>	<u>ITEM DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>TOTAL PRICE</u>
4.		Equipment to be traded-in/removed:		
		Qty 1 IBM 7060-H30 Processor		
		Qty 1 IBM 9394-002 Controller with		
		Qty 16 9395-B23 Drawers		
		Qty 7 IBM 3174 Controllers		
		Grand Total Trade-in	\$	\$

BID SUMMARY:

GRAND TOTAL HARDWARE	\$	\$
GRAND TOTAL SOFTWARE	\$	\$
LESS: GRAND TOTAL TRADE-IN	\$	\$
GRAND TOTAL BID:	\$	\$

ADDITIONAL BID REQUIREMENTS:

1. Bid responses should include all IBM software pricing options available.
2. Bid to include 36 month pre-paid Hardware Maintenance.
3. Bid to include IBM installation costs.
4. Bid to include Shipping costs.
5. Successful bidder will be responsible for removal of current Multiprise and peripheral units after production implementation of z/890 and ESS is complete. Production implementation target date, July 30, 2005.

BID SECURITY REQUIRED: X YES 5% of Total Bid

COMPANY REPRESENTATIVE responsible for the administration of this Agreement:

Name: _____
(Please print or type Name)

Title: _____

Phone No.: _____

AFFIRMATIVE ACTION PROGRAM: Successful bidder will be required to comply with the provisions of the City's Affirmative Action Policy (Contract Compliance, Sec. 1.16). The Equal Opportunity Officer will determine compliance or non-compliance with the City's policy upon a complete and substantial review of successful bidder's equal opportunity policies, procedures and practices.

The undersigned signatory for the bidder represents and warrants that he has full and complete authority to submit this proposal to the City, and to enter into a contract if this proposal is accepted.

RETURN 2 COMPLETE COPIES OF PROPOSAL AND SUPPORTING MATERIAL.
MARK OUTSIDE OF BID ENVELOPE: SEALED BID FOR SPEC. 05-079

COMPANY NAME

BY (Signature)

STREET ADDRESS or P.O. BOX

(Print Name)

CITY, STATE ZIP CODE

(Title)

TELEPHONE

(Date)

EMPLOYER'S FEDERAL I.D. NO.
OR SOCIAL SECURITY NUMBER

ESTIMATED DELIVERY DAYS

TERMS OF PAYMENT

BIDS MAY BE INSPECTED IN THE PURCHASING DIVISION OFFICES DURING NORMAL BUSINESS HOURS, AFTER TABULATION BY THE PURCHASING AGENT. IF YOU DESIRE A COPY OF THE BID TABULATION TO BE MAILED TO YOU, YOU MUST ENCLOSE A SELF-ADDRESSED STAMPED ENVELOPE WITH YOUR BIDDING DOCUMENTS.

INSTRUCTIONS TO PROPOSERS

CITY OF LINCOLN, NEBRASKA

PURCHASING DIVISION

1. PROPOSAL PROCEDURE

- 1.1 Each RFP must be legibly printed in ink or by typewriter, include full name, business address, and telephone no. of the Proposer; and be signed in ink by the Proposer.
- 1.2 Response by a firm/organization other than a corporation must include the name and address of each member.
- 1.3 A response by a corporation must be signed in the name of such corporation by a duly authorized official thereof.
- 1.4 Any person signing a response for a firm, corporation, or other organization must show evidence of his authority so to bind such firm, corporation, or organization.
- 1.5 Proposals received after the time and date established for receiving offers will be rejected.

2. EQUAL OPPORTUNITY

- 2.1 Each proposer agrees that it shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, disability, national origin, age, or marital status. In the employment of persons, proposer shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to race, color, religion, sex, disability, national origin, age, or marital status.

3. DATA PRIVACY

- 3.1 Proposer agrees to abide by all applicable State and Federal laws and regulations concerning the handling and disclosure of private and confidential information concerning individuals and corporations as to inventions, copyrights, patents and patent rights.
- 3.2 The proposer agrees to hold the City harmless from any claims resulting from the proposer's unlawful disclosure or use of private or confidential information.

4. PROPOSER'S REPRESENTATION

- 4.1 Each proposer by signing and submitting an offer, represents that he/she has read and understands the specification documents, and the offer has been made in accordance therewith.
- 4.2 Each offer for services further represents that the proposer is familiar with the local conditions under which the work and has correlated the observations with the requirements of the RFP.
- 4.3 Proposer warrants and represents to the City that all software/firmware/hardware/equipment/systems developed, distributed, installed or programmed by Proposer pursuant to this Specification and Agreement.
 - 4.3.1 That all date recognition and processing by the software/firmware/hardware/equipment/system will include the four-digit-year format and will correctly recognize and process the date of February 29, and any related data, during Leap years; and
 - 4.3.2 That all date sorting by the software/firmware/hardware/equipment/system that includes a "year category" shall be done based on the four-digit-year format. Upon being notified in writing by the City of the failure of any software/firmware/hardware/equipment/systems to comply with this Specification and Agreement, Contractor will, within 60

days and at no cost to the City, replace or correct the non-complying software/firmware/hardware/equipment/systems with software/firmware/hardware/equipment/systems that does comply with this Specification and Agreement.

5. INDEPENDENT PRICE DETERMINATION

- 5.1 By signing and submitting this RFP, the proposer certifies that the prices offered have been arrived at independently, without consultation, communication or agreement, for the purpose of restricting competition, with any other proposer competitor; unless otherwise required by law, the prices which have been quoted in this offer have not been knowingly disclosed by the proposer prior to RFP opening directly or indirectly to any other competitor; no attempt has been made, or will be made, by the proposer to induce any person or firm to submit, or not to submit, a response for the purpose of restricting competition.

6. SPECIFICATION CLARIFICATION

- 6.1 Proposers shall promptly notify the Purchasing Agent of any ambiguity, inconsistency or error which they may discover upon examination of specification documents.
- 6.2 Proposers desiring clarification or interpretation of the specification documents shall make a written request which must reach the Purchasing Agent at least seven (7) calendar days prior to date and time for response receipt.
- 6.3 Interpretations, corrections and changes made to the specification documents will be made by written addenda.
- 6.4 Oral interpretations/changes to Specification Documents made in any other manner, will not be binding on the City; proposers shall not rely upon oral interpretations.

7. ADDENDA

- 7.1 Addenda are written instruments issued by the City prior to the date for receipt of offers which modify or interpret the specification document by addition, deletion, clarification or correction.
- 7.2 Addenda will be mailed or delivered to all who are known by the City to have received a complete set of specification documents.
- 7.3 Copies of addenda will be made available for inspection at the office of the Purchasing Agent.
- 7.4 No addendum will be issued later than forty-eight (48) hours prior to the date and time for receipt of offers, except an addendum withdrawing the RFP, or addendum including postponement.
- 7.5 Proposers shall ascertain prior to submitting their offer that they have received all addenda issued, and they shall acknowledge receipt of addenda on the proposal form.

8. ANTI-LOBBYING PROVISION

8.1 During the period between the bid close date and the contract award, bidders, including their agents and representatives, shall not directly discuss or promote their bid with any member of the City Council or City Staff except in the course of City-sponsored inquiries, briefings, interviews, or presentations, unless requested by the City.

9. EVALUATION AND AWARD

9.1 The signed proposal shall be considered an offer on the part of the proposer. Such offer shall be deemed accepted upon issuance by the City of purchase orders, contract award notifications, or other contract documents appropriate to the work.

9.2 No offer shall be withdrawn for a period of ninety (90) calendar days after the time and date established for receiving offers, and each proposer agrees in submitting an offer.

9.3 In case of a discrepancy between the unit prices and their extensions, the unit prices shall govern.

9.4 The RFP process is designed to be a competitive negotiation platform, where price is not required to be the sole determinative factor; also the City has the flexibility to negotiate with a select firm or selected firms to arrive at a mutually agreeable relationship.

9.5 A committee will be assigned the task of reviewing the proposals received.

9.5.1 The committee may request documentation from Proposer(s) of any information provided in their proposal response, or require the Proposer to clarify or expand qualification statements.

9.5.2 The committee may also require a site visit and/or verbal interview with a Proposer or select group of Proposers to clarify and expand upon the proposal response.

9.6 The offer will be awarded to the lowest responsive, responsible proposer whose proposal will be most advantageous to the City, and as the City deem will best serve their requirements.

9.7 The City reserves the right to accept or reject any or all offers, parts of offers; request new proposals, waive irregularities and technicalities in offers; or to award the RFP on a split-order basis, or lump-sum basis; such as shall best serve the requirements and interests of the City.

10. INDEMNIFICATION

10.1 The proposer shall indemnify and hold harmless the City, its members, its officers and employees from and against all claims, damages, losses, and expenses, including, but not limited to attorney's fees arising out of or resulting from the performance of the contract, provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property other than goods, materials and equipment furnished under this contract) including the loss of use resulting therefrom; is caused in whole or part by any negligent act or omission of the proposer, any subcontractor, or anyone directly or indirectly employed by any one of them or anyone for whose acts made by any of them may be liable, regardless of whether or not it is caused by a party indemnified hereunder.

10.2 In any and all claims against the City or any of its members, officers or employees by an employee of the proposer, any subcontractor, anyone directly or indirectly employed by any of them or by

anyone for whose acts made by any of them may be liable, the indemnification obligation under paragraph 10.1 shall not be limited in any way by any limitation of the amount or type of damages, compensation or benefits payable by or for the proposer or any subcontractor under worker's or workmen's compensation acts, disability benefit acts or other employee benefit acts.

11. LAWS

11.1 The Laws of the State of Nebraska shall govern the rights, obligations, and remedies of the Parties under this proposal and any agreement reached as a result of this process.

12. AWARD

12.1 The RFP process is designed to be a competitive negotiation platform, where price is not required to be the sole determinative factor; also the City has the flexibility to negotiate with a selected firm or firms to arrive at a mutually agreeable relationship.

12.2 The City shall be the sole judge as to merits of the proposal, and the City's decision will be final.

12.3 A committee will be assigned by the Mayor with the task of reviewing the proposals received.

12.3.1 The committee may request documentation from Proposer(s) of any information provided in their proposal response, or require the proposer to clarify or expand qualification statements.

12.3.2 A short list of firms from proposals submitted may be selected for a presentation to the committee and ranked by committee members.

12.4 Final approval to enter into contract negotiations with the top ranked firm will be by the Mayor of the City of Lincoln.

12.5 The City shall not be liable for any expense incurred in connection with preparation of a response to this RFP.

12.6 The contract document shall incorporate by reference all requirements, terms and conditions of the solicitation, proposal received and all negotiated details.

SPECIAL PROVISIONS FOR COMMODITY TERM CONTRACTS

CITY OF LINCOLN, NEBRASKA PURCHASING DIVISION

1. ESTIMATED QUANTITIES

- 1.1 The quantities set forth in the specification document are approximate and represent the estimated requirements of the City for the contract period.
- 1.2 Items listed may or may not be inclusive of City requirements for this category.
- 1.3 Category items not listed, but distributed by bidder are to be referred to as kindred items. Kindred items shall receive the same percentage of discount or pricing structure as items listed in the specification document.
- 1.4 The unit prices and the extended total prices shall be used only as a basis for the evaluation of bids. The actual quantity of materials necessary may be more or less than the estimates listed in the specification document, but the City shall be neither obligated nor limited to any specified amount. The City will, if possible, restrict increases/decreases to 20% of the estimated quantities listed in the specification document.

2. CONTRACT PERIOD

- 2.1 The material shall be delivered as ordered during the contract period, beginning from the date of contract and ending one (1) year from that date, or as otherwise indicated on the proposal form.
- 2.2 The City is interested in a one (1) year contract, with the option to renew for additional one (1) year periods, not to exceed three (3) such renewals. Bidder must indicate on the proposal form if extension renewals are an option. By mutual consent of both parties it is understood and agreed that the contract may be renewed only at the same prices and/or under the same conditions governing the original contract; and any request for an increase in price or a change in the contract conditions shall be interpreted as a request not to renew the contract at the end of the current contract period.

3. BID PRICES

- 3.1 Bidders must state on the proposal form if the bid prices will remain firm for the full contract period; or if the bid prices will be subject to escalation/de-escalation.
- 3.2 Escalation/De-escalation Clause: In the event that prevailing market conditions warrant an adjustment in bid prices contained in the contract, the following escalation/de-escalation clause shall be the only clause applicable or acceptable to the City:
 1. Contractor shall give written notice to the Purchasing Agent of any proposed changes from contract prices not less than thirty (30) calendar days prior to the effective date of said price changes.
 2. Such notice must be accompanied by a certified copy of the supplier's advisory or notification to the contractor of price changes.
 3. No price escalation will be authorized in excess of the amount of the increase referred to on the supplier's notice.
 4. The approved price change shall be honored for all orders received by the contractor after the effective date of such price change.

5. Approved price changes are not applicable to orders already issued and in process at time of price change.
6. The City reserves the right to audit and/or examine any pertinent books, documents, papers, records or invoices relating directly to the contract transaction in question after reasonable notice and during normal business hours.
7. The Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interests of the City.
8. If in the opinion of the Purchasing Agent any proposed increase is found unacceptable, the Purchasing Agent reserves the right to cancel the contract upon thirty (30) calendar days written notice.
9. Contractors must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Contractor will put the Purchasing Agent on the mailing lists for such publication so that the Purchasing Agent can monitor said changes. Such membership will be at no cost to the City.

4. CONTRACT AWARD NOTIFICATION

- 4.1 The Purchasing Division will issue a Contract Award Notification to all successful bidders. Such contract award notification will incorporate the City's specifications, and may incorporate the bidder's specifications.
- 4.2 No action need be taken by the contractors at time of receipt of such Contract Award Notification.
- 4.3 Orders for materials will be made as needed by the various City Departments.

5. QUARTERLY REPORT

- 5.1 The contractor shall provide to the Purchasing Agent a quarterly report, showing all purchases made under the terms and conditions of the contract.
- 5.2 Such quarterly report shall itemize the following information:
 1. Each ordering department.
 2. Items and quantities purchased by department.
 3. Total dollar amount of purchases by department.